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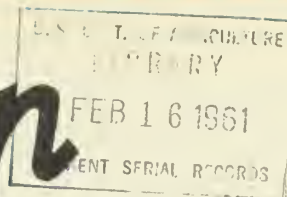
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# Foreign

# CROPS AND MARKETS



FOR RELEASE MONDAY, JANUARY 2, 1961

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CONTENTS

NUMBER 1

## COTTON

PAGE

U. S. Cotton Linters Exports Down .....	5
India Announces Cotton Export Quota .....	5
U. S. Imports Less Cotton in October .....	5
U. S. Cotton Exports Slightly Above Last Season's .....	6

## DAIRY AND POULTRY PRODUCTS

Mexico Increases Import Duty on Cheese .....	20
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## FATS, OILSEEDS, AND OILS

Colombia Plans Peanut Acreage Expansion .....	13
Swedish Winter Rapeseed Acreage Down .....	13
Malayan Copra and Coconut Oil Net Exports in January-September Up Sharply .....	14
West German Imports of Oilcake and Meal Expected To Be Large Again .....	15
Argentina's 1960-61 Flaxseed Crop Down One-third From 1959-60 .....	15
Morocco's 1960 Flaxseed Crop Down Sharply .....	16
India Announces New Peanut Export Quota; Also New Plan To Boost Peanut Oil Exports .....	16
U. S. Exports of Soybean, Edible Oils, and Oilseed Meals Pick Up .....	16
Argentina Removes Time Limit on Flaxseed Export Quota .....	18
Greece Buys Olive and Soybean Oils .....	18
Cuba Plans Peanut Expansion .....	20
Mexico Reduces Export Tax on Peanuts .....	21
Brazil Experiments With Detoxified Castor Bean Meal .....	21
Ecuador Making Loans Available to Oilseed Producers .....	22

## FOREIGN TRADE DEVELOPMENTS

Ryukyu Islands Show Trade Gains in 1959 .....	11
New Agricultural Research Organization in Mexico .....	18
Rain Damages Colombian Crops .....	18
Output of Farm Products Expanding in Nyasaland .....	19
Philippines Reduces Foreign Exchange Tax .....	20

## FRUITS, VEGETABLES, AND NUTS

Mexican Winter Vegetable Plantings .....	8
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(Continued on following page)

UNITED STATES DEPARTMENT OF AGRICULTURE  
FOREIGN AGRICULTURAL SERVICE  
WASHINGTON 25, D. C.

## CONTENTS (Continued)

Page

## GRAINS, FEEDS, SEEDS, AND HOPS

Soviet Union's Grain Exports Continue Large.....	12
Europe's Winter Grain Acreage Reduced.....	12

## LIVESTOCK AND MEAT PRODUCTS

Mexican Export Tax on Beef Lowered.....	9
South African and New Zealand Commissions Purchase Wool.....	9
U.S.S.R. Breeds Sheep Artificially.....	10
More Australian Beef En Route to U. S.....	10
U. K. Lard Imports Drop Sharply in October.....	10

## SUGAR, FIBERS, AND TROPICAL PRODUCTS

Inter-African Coffee Organization Formed.....	6
South African Sugar Association Relaxes Production Restrictions....	8
International Sugar Council Sets Provisional Quotas for 1961.....	8

## TOBACCO

U. S. Tobacco Imports Larger This Year.....	3
France Has Smaller Tobacco Crop.....	4
Cigarette Exports From U. K. Continue Downward Trend.....	4

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U. S. TOBACCO IMPORTS  
LARGER THIS YEAR

U. S. imports of tobacco for consumption in the first 9 months of 1960 totaled 120.7 million pounds--5.7 percent above the comparable period of 1959, and 18.1 percent larger than in January-September 1958.

Cigarette leaf imports (mainly oriental) totaled 89.0 million pounds in January-September 1960, compared with 83.4 million in the first 9 months of 1959. The 9-month scrap total was 21.0 million in 1960, and 19.1 million a year earlier. Cigar filler (stemmed and unstemmed) was 9.4 million in 1960--down 6.6 percent from a year earlier. The 1960 scrap figure includes 1.5 million pounds of Peruvian tobacco.

TOBACCO, UNMANUFACTURED: U. S. imports for consumption 1/,  
January-September 1958-60

Commodity and origin	January-September		
	1958	1959	1960
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Cigarette leaf:			
Turkey.....	48,776	51,548	55,521
Greece.....	21,427	23,763	24,182
Yugoslavia.....	3,026	3,395	4,025
Others <u>2/</u> .....	5,439	4,681	5,259
Total.....	78,668	83,387	88,987
Cigar filler (stemmed and unstemmed):			
Cuba.....	9,053	9,801	8,632
Philippines.....	302	169	512
Others.....	187	45	210
Total.....	9,542	10,015	9,354
Cigar wrapper (total).....	455	460	447
Scrap:			
Cuba.....	9,666	12,025	10,884
Philippines.....	3,097	6,380	7,549
Others.....	138	744	3/ 2,608
Total.....	12,901	19,149	21,041
Stems (total).....	607	1,208	848
Grand total.....	102,173	114,219	120,677

1/ Includes withdrawals from bond for consumption and releases from customs immediately upon arrival. 2/ Largely Italy, Syria, Lebanon, and Cyprus. 3/ Largely Peru, Dominican Republic, and Turkey.

# FRANCE HAS SMALLER TOBACCO CROP

The 1960 tobacco crop in France is placed at 103.6 million pounds--down 8 percent from the 112.9 million grown in 1959. The 1960 crop is reported to be the smallest since 1953.

Although the 1960 acreage was the same as a year before, the crop was reduced by blue mold, hail, and disease. Blue mold was especially prevalent in the Alsace region. Hail damage was rather heavy in some growing areas in the south of France.

## CIGARETTE EXPORTS FROM U.K. CONTINUE DOWNWARD TREND

Cigarette exports from the United Kingdom during the first 9 months of 1960 totaled 21.3 million pounds--5.2 percent smaller than for January-September 1959.

Sharp drops were recorded this year in exports to Singapore and the Federation of Malaya. These more than offset increases in exports to Aden, Cyprus, West Germany, France, Belgium, and Libya.

### CIGARETTES: United Kingdom, exports by country of destination, January-September 1958-60

Destination	January-September		
	1958	1959	1960
	1,000	1,000	1,000
	pounds	pounds	pounds
Commonwealth:			
Singapore.....	5,950	4,192	3,070
Malaya (Federation of).....	5,556	4,695	2,872
Aden.....	1,459	1,198	1,665
Hong Kong.....	1,246	1,181	1,142
Cyprus.....	813	630	913
Other.....	4,884	4,064	4,466
Non-Commonwealth:			
Germany, West.....	1,372	1,222	1,239
France.....	1,059	1,133	1,201
Sudan.....	983	1,004	948
Arabian States.....	873	710	658
Belgium.....	251	263	369
Libya.....	220	240	350
Spanish West Africa.....	100	50	290
Other.....	2,004	1,862	2,097
Total.....	26,770	22,444	21,280



## U. S. COTTON LINTERS EXPORTS DOWN

U. S. exports of cotton linters, mostly chemical qualities, amounted to 74,000 bales (500 pounds gross) during the first 3 months (August-October) of the 1960-61 season--about one-third less than the 110,000 bales exported in the same period a year earlier. Exports in October were 43,000 bales, compared with 19,000 bales in September, and 45,000 in October 1959.

Principal destinations during August-October 1960, with comparable 1959 figures in parentheses, were: West Germany 41,000 bales (77,000); Japan 13,000 (7,000); United Kingdom 10,000 (13,000); Canada 5,000 (8,000); and France 4,000 (3,000).

## INDIA ANNOUNCES COTTON EXPORT QUOTA

In early December, the Government of India announced an export quota totaling 40,000 bales (500 pounds gross) of Bengal Desi cotton, grades superfine and above, for shipment through August 31, 1961.

Shippers must agree to sell to domestic users of Bengal Desi a quantity equal to that exported. Five percent of this quota is earmarked for cooperatives, while the remainder will be licensed to shippers on a "first-come-first-served" basis with not more than 10 percent of the total going to any one shipper.

## U. S. IMPORTS LESS COTTON IN OCTOBER

U. S. imports of cotton for consumption during October amounted to only 1,397 bales (500 pounds gross), compared with 22,000 bales in September, and 1,550 in October 1959. Most of the October 1960 imports were Brazilian upland cotton which entered under the quota opening on September 20.

Total imports during the first 3 months (August-October) of the current season were equivalent to 113,000 bales, against 123,000 in the same months of the 1959-60 season. Principal sources of the August-October 1960 imports, with comparable 1959 figures in parentheses, were: Egypt 68,000 bales (66,000); Mexico 28,000 (38,000); Peru 15,000 (15,000); and Brazil 1,000 (1,000).

In addition to the above imports during the August-October period, imports of cotton in the form of picker lap, which are not subject to quota, amounted to 12,717 bales (raw cotton equivalent). Imports under the "basket category" in which picker lap is included amounted to 9,757 bales cotton equivalent during calendar year 1959.

## INTER-AFRICAN COFFEE ORGANIZATION FORMED

An Inter-African Coffee Organization was officially constituted on December 7, 1960. The aims of the organization are to study problems concerning Robusta coffee production, preparation, and marketing. The organization considers stabilization of prices as the most urgent objective.

Member countries of the organization are the Republic of Cameroun, Central African Republic, Republic of the Congo (former Belgian Congo), Republic of the Ivory Coast, Republic of Gabon, Kenya, the Malagasy Republic, Uganda, Portugal, and Tanganyika. The secretariat general of the organization is to be in Paris.

For the year 1961, it was agreed that a proportional contribution to the organization would be made by member states on the basis of \$0.01 U. S. per bag (60 kilograms) of coffee sold outside the member countries during the 1959-60 crop year, as shown by the statistics published by the Washington Coffee Study Group.

## U. S. COTTON EXPORTS SLIGHTLY ABOVE LAST SEASON'S

Exports of cotton (all types) from the United States during the first 3 months (August-October) of the current season totaled 771,000 bales of 500 pounds gross (746,000 running bales). This is 4 percent above August-October 1959-60 exports of 741,000 bales, but 16 percent below annual average exports of 918,000 bales in the first 3 months of the past 5 seasons.

October 1960 exports amounted to 454,000 bales, more than double the 200,000 bales shipped in the previous month, and 13 percent above October 1959 shipments of 403,000 bales.

U. S. cotton exports for the full 1960-61 season are expected to be around 6.5 million running bales. Although this volume will be below last season's 7.2 million, it will be the third largest annual export of cotton since 1933-34. The relatively large exports expected for this season are attributed mainly to continued volume buying for near-record consumption abroad, and to ample supplies of desired qualities of U. S. cotton, available at competitive prices in world import markets.

Registrations of cotton for export under the 1960-61 payment-in-kind program totaled 4,486,632 running bales as of December 16, compared with 4,662,168 bales on approximately the same date a year earlier. Registrations this season have now fallen below those of about the same date last season, as expected, and are likely to continue in smaller volume during the remainder of the 1960-61 season.

(table)

**COTTON:** United States exports of cotton by country of destination,  
averages 1935-39 and 1950-54, annual 1958 and 1959,  
August-October 1959-60 and 1960-61

(Bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Average		1958	1959	August-October	
	1935-39	1950-54			1959-60	1960-61
	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000
	: bales	: bales	: bales	: bales	: bales	: bales
Austria.....	0	38	15	30	4	4
Belgium & Luxembourg.....	169	121	49	228	19	21
Denmark.....	33	29	8	24	3	2
Finland.....	35	13	13	33	10	8
France.....	662	431	199	692	74	79
Germany, West.....	511	382	103	597	50	43
Italy.....	442	379	154	610	69	65
Netherlands.....	107	127	21	229	16	19
Norway.....	17	14	1	18	1	1
Poland & Danzig.....	180	1/	93	74	51	37
Portugal.....	36	7	12	14	0	4
Spain.....	108	142	297	68	0	100
Sweden.....	115	53	35	106	7	6
Switzerland.....	11	42	12	108	11	11
United Kingdom.....	1,346	434	210	609	80	46
Yugoslavia.....	17	86	151	51	1/	7
Other Europe.....	2/ 96	8	3	19	1	3
<b>Total Europe.....</b>	<b>3,885</b>	<b>2,306</b>	<b>1,376</b>	<b>3,510</b>	<b>396</b>	<b>456</b>
Australia.....	9	31	40	66	7	12
Canada.....	301	311	89	322	18	28
Chile.....	9	24	3	56	2	10
Colombia.....	20	30	21	0	0	0
Cuba.....	11	19	9	40	3	2
Ethiopia.....	3/	7	0	15	0	1
French North Africa.....	3/	9	12	11	1	3
Hong Kong.....	3/	8	125	282	53	11
India.....	52	253	80	445	7	44
Indonesia.....	3/	19	17	53	9	1
Israel.....	3/	12	12	18	1	2
Japan.....	1,142	871	544	1,810	143	126
Korea, Republic of.....	3/	80	227	277	40	30
Philippines.....	2	9	97	130	13	21
Taiwan (Formosa).....	3/	85	182	205	30	7
Thailand.....	1/	1	1/	20	4	1
Union of South Africa.....	3/	6	15	45	4	10
Uruguay.....	3/	2	22	33	3	1
Other countries.....	4/ 158	51	24	54	7	5
<b>Total 500-lb. bales.....</b>	<b>5,589</b>	<b>4,134</b>	<b>2,895</b>	<b>7,392</b>	<b>741</b>	<b>771</b>
<b>Total running bales.....</b>	<b>5,300</b>	<b>3,977</b>	<b>2,789</b>	<b>7,182</b>	<b>720</b>	<b>746</b>

1/ Less than 500 bales. 2/ Includes Czechoslovakia 65. 3/ If any, included in other countries. 4/ Includes China 117 and French Indochina 22.

#### SOUTH AFRICAN SUGAR ASSOCIATION RELAXES PRODUCTION RESTRICTIONS

Swaziland sugar producers recently signed an agreement with the South African Sugar Association to limit production in Swaziland to a maximum of 80,000 short tons of sugar a season. Marketing will be coordinated with that of the South African industry.

In order to keep total 1960-61 production within the bounds of domestic needs plus established export quotas, the South African Sugar Association has fixed the industrial adjusting factor at 77 percent of farm mean peaks, to arrive at growers' cane delivery quotas. This 23-percent cut from last season's levels represents a 2-percent relief from the provisional figure of 75 percent adopted at the beginning of the season, and will have the effect of increasing the Union's sugar production above the more restricted output formerly contemplated.

#### INTERNATIONAL SUGAR COUNCIL SETS PROVISIONAL QUOTAS FOR 1961

The provisional allocation of initial export quotas for 1961 for members of the International Sugar Agreement has been set on the basis of 85 percent of the basic export tonnages for the larger members and 90 percent for the smaller members, according to the decision reached by the executive committee of the council which met recently in Mexico City.

This action is to reduce exportable supplies to a level more nearly in line with probable demand. The council had concluded that the sum of full basic export tonnages and other permissible exports under the agreement, if added to maximum exports that might be made by non-member countries, would exceed "free market" requirements by about 1 million tons.

Shipments to the United States for consumption in the United States are not charged against the export quotas under the International Sugar Agreement, and U. S. import requirements are excluded from the determination of "free market" requirements. Consequently, the council's action can not be related directly to the question of U. S. import requirements nor the availability of supplies to meet such requirements.

#### MEXICAN WINTER VEGETABLE PLANTINGS

From December 1 through December 17, growers in the Culiacan Valley of Mexico planted 3,830 acres of ground tomatoes and 612 acres of pole tomatoes. Total planted acreage through December 17 is 29,750 acres of ground tomatoes and 10,323 acres of pole tomatoes.



MEXICAN EXPORT TAX  
ON BEEF LOWERED

In another move to increase exports of cattle and beef and thereby give relief to ranchers and slaughterers in northern Mexico, the Mexican Government reduced export taxes on beef on December 12.

The tax on boneless beef was reduced from \$1.45 to \$0.72 per 100 pounds (0.40 to 0.20 pesos per kilo). The tax on bone-in beef was reduced from \$1.81 to \$0.90 per 100 pounds (0.50 to 0.25 pesos per kilo). There is no ad valorem export tax on beef.

This action followed the lowering of export taxes on live cattle (see Foreign Crops and Markets, December 27, 1960).

SOUTH AFRICAN AND NEW ZEALAND  
COMMISSIONS PURCHASE WOOL

The Wool Commission of South Africa has been buying rather heavily so far this marketing season, while the New Zealand Commission has been in the market for small amounts.

Prices for most types of wool have been well below closing prices of last season and have been near the commission's support levels. At the same stage of last season, both agencies had been able to dispose of virtually all of their carryover stocks purchased in the 1957-58 and 1958-59 seasons.

The South African Wool Commission has bought 50,590 bales this season (about 7.1 million pounds clean basis). Last year, purchases were negligible, and in the 1958-59 season they totaled 53,333 bales (7.4 million pounds). The New Zealand Wool Commission has been less active. In the first 5 sales of this season 2,431 bales (about 760,000 pounds) were bought.

South African wool sales during the first 4 months (July-October) were about 5 percent below the volume a year earlier, while prices averaged about 15 percent less than last year.

Exports of raw wool during July-October this year were 46.4 million pounds, compared with 62.4 million a year earlier--a decline of nearly 26 percent. The sharp decline is due mainly to the fact that large quantities of wool purchased by the Wool Commission in 1958-59 were resold during April-June 1959 and are consequently included in the total exports for July-October 1959. Compared with exports for the same period of 1957-58 and 1958-59 seasons, exports during the current season show an overall increase.

The major buyers so far this year have been France, the United Kingdom, Italy, the United States, and Belgium. Mainland China, the largest buyer of tops last year (July-June 1959-60) purchased only a very small amount during the first 4 months of this season.

## U.S.S.R. BREEDS SHEEP ARTIFICIALLY

The Soviet Union has a well-established program for artificial insemination of sheep. With artificial insemination, 1 ram is required for 1,000 to 1,500 ewes, in contrast to 1 ram to 30 to 50 ewes for natural mating.

Artificial insemination of sheep requires intensive veterinary service and close flock supervision and is practical only where there is a plentiful supply of cheap labor.

Artificial breeding has been used for many years in the important sheep-breeding areas of the U.S.S.R. In recent years more than 50 percent of all ewes have been bred artificially. Difficulties have arisen in some areas due to lack of facilities to sterilize equipment and refrigerate and transport semen.

Quality improvement has been the most important advantage of the program. In one district 87,000 ewes were bred to fine wool rams. The offspring produced over 2 pounds more wool than their mothers.

MORE AUSTRALIAN BEEF  
EN ROUTE TO U. S.

Two ships left Australia in early December with 918,400 pounds of frozen beef for the United States.

The Kristin Bakke sailed December 9 with 725,760 pounds: 17,920 pounds for Los Angeles, 313,600 for San Francisco, 11,200 for Portland, and 383,040 for Seattle. The Pioneer Star left December 2 with 192,640 pounds: 58,240 for New York, and 134,400 for Boston.

Destinations are locations of purchasers and generally the port of arrival and marketing area; but in some instances the meat may be diverted to other areas for sale.

U.K. LARD IMPORTS DROP  
SHARPLY IN OCTOBER

United Kingdom lard imports in October 1960 were 27.1 million pounds, 41 percent less than in October 1959. Imports from the United States were sharply reduced. Shipments from Belgium, Poland, Denmark, and France were up substantially, while those from Sweden and Canada were down.

U.K. lard imports during January-October 1960 were 360.1 million pounds, compared with 290.8 million pounds in comparable 1959--an increase of 24 percent. Shipments from the United States increased 34 percent to 279.1 million pounds. Imports from France and Belgium were also higher during this period, while those from Denmark, the Netherlands, Sweden, and Canada declined.



The United States supplied nearly 78 percent of U.K. lard imports during the first 10 months of 1960. But with U.S. lard prices averaging \$1.25 to \$2.50 per cwt. above 1959 prices, U.S. exports during the remainder of 1960 are not expected to approach the level of November and December 1959.

LARD: United Kingdom imports by country of origin, and country percentage of total, January-October 1959 and 1960

Origin	Jan.-Oct. 1959		Jan.-Oct. 1960	
	Quantity	Percentage	Quantity	Percentage
	: of total :		: of total :	
	1,000 lb.	Percent	1,000 lb.	Percent
United States.....	207,611	71.4	279,107	77.5
France.....	33,200	11.4	40,983	11.4
Belgium.....	10,730	3.7	13,476	3.7
Denmark.....	15,853	5.5	12,801	3.6
Netherlands.....	11,229	3.9	8,405	2.3
Sweden.....	2,962	1.0	2,871	.8
Canada.....	9,082	3.1	1,618	.5
Others.....	142	---	860	.2
Total.....	290,809	100.0	360,121	100.0

U.S. Packers Provision Agents' Committee.

#### RYUKYU ISLANDS SHOW TRADE GAINS

Exports from the Ryukyu Islands during 1959 totaled \$21.2 million--up 28 percent from the previous year. Sugar products accounted for two-fifths of the total, and most of these moved to Japan. Exports of canned pineapple amounted to nearly \$3 million. This was more than double the previous year and more than 6 times the 1957 level. Here again, Japan was the principal market. During the first quarter of 1960, exports reached \$8.1 million--an increase of 44 percent over the first 3 months of the previous year.

Total imports during 1959 amounted to \$112.1 million, a gain of 13 percent over 1958 imports. Foodstuffs, especially rice, made up nearly one-fourth of the total. Imports during the first quarter of 1960 totaled \$26.8 million--a gain of 16 percent over the corresponding period of 1959. A large part of the trade gap is covered by earnings from provision of goods and services to the U.S. military establishment in the Ryukyus.

## SOVIET UNION'S GRAIN EXPORTS CONTINUE LARGE

Exports of grain from the U.S.S.R. are continuing fairly high, despite lower production in 1960. An agreement to sell 125,000 metric tons (4.6 million bushels) of soft wheat to Italy is reported. A sale of \$8.4 million worth of wheat to the United Kingdom is also reported. A pending agreement with Austria in mid-December called for sale of 100,000 metric tons of wheat (3.7 million bushels) and 400,000 tons of feed grains.

Relatively large quantities of Russian barley are being offered freely at attractive prices in Western Europe. The effort to push barley exports is believed to be because barley is not expected to keep well, having been harvested under wet conditions.

Russian barley is selling in the United Kingdom for the equivalent of about \$54.00 per metric ton landed, including duty. At this price, the Russian barley is encountering competition, mainly from Australian and French barley. About 800,000 metric tons (37 million bushels) are expected to be available in Australia, some as low as \$52.60 per ton. About 700,000 tons (32 million bushels) may be available in France.

## EUROPE'S WINTER GRAIN ACREAGE REDUCED

Excessively wet weather has delayed grain planting in a number of European countries, and it appears that fall-sown acreage is considerably below earlier expectations. Part of the arrears may be made up by increased spring seeding, but production may still be affected because spring wheat yields are normally less than winter wheat yields. Some shift to feed grain, especially barley, may result this year.

Specific comments on conditions in a number of countries follow. In 1960, these countries accounted for 90 percent of Western Europe's total wheat production.

Conditions have been especially bad in France. On December 1, wheat acreage was officially placed at only 40 percent of the acreage seeded by December 1, 1959. Present prospects are that the 1961 crop will be small and there will be little or no surplus for export.

In West Germany, rain retarded seeding in northern areas. Conditions have been better in the south, and seeding there had been completed in some areas in mid-December.

Wheat acreage in Greece is also expected to be somewhat smaller than in 1960.

Frequent rains have held up seeding in Italy, especially in the Po Valley, where an important part of the wheat crop is grown.

Portugal: Serious planting delays have been general because of too much rain.

Spain: Excessive rainfall since mid-September has greatly delayed seeding of winter grain. Estimates indicate that about half the wheat acreage was unseeded at the end of November. Prospects for the 1961 wheat crop are thus very poor, and requirements of imported wheat are expected to far exceed those of the current season.

Sweden: Acreage of bread grains seeded in the fall of 1960 is about a third less than a year earlier, because heavy rains held up seeding. The rains also damaged seeded fields. The present outlook is for a crop below domestic needs.

Seeding is much behind normal in the United Kingdom. Severe floods were reported and much land remained unplanted in mid-December.

#### COLOMBIA PLANS PEANUT ACREAGE EXPANSION

As part of Colombia's broad plans to boost vegetable oil output, peanut acreage will be expanded sharply in 1961. An estimated 30,000 acres will be planted to peanuts in 1961 in contrast with not more than 5,000 acres in 1960. (See Foreign Crops and Markets, July 25, 1960 for details relating to expansion of oil palm and coconut plantings.)

The Cotton Institute of Colombia (IFA) is assuming responsibility for the peanut expansion program and has a large supply of seed peanuts for distribution. IFA has found that peanuts grow well in cotton-producing regions and provide a good rotation crop. In anticipation of a larger peanut crop, 10 mechanical peanut harvesters have been imported.

#### SWEDISH WINTER RAPESEED ACREAGE IS DOWN

The area seeded to rapeseed in Sweden during the fall of 1960 is estimated at 122,735 acres, a decline of more than 7,000 acres from the 130,175 sown in the fall of 1959 and less than one-half the 271,170 acres sown in the fall of 1957. In 1958, there were 207,910 acres fall-sown to rapeseed.

In recent years, winter rapeseed has accounted for about 85 to 95 percent of the acreage sown to rapeseed. Spring-sown rapeseed acreage has fluctuated--15,830 acres in 1957; 18,420 in 1958; and 9,430 acres in 1959.

If yields are normal, Swedish rapeseed production in 1960-61 will fall slightly short of usual domestic needs of about 105,000 short tons.

**MALAYAN COPRA AND COCONUT OIL NET EXPORTS  
IN JANUARY-SEPTEMBER UP SHARPLY**

Net exports of copra and coconut oil from the Federation of Malaya, and Singapore, totaled 24,834 long tons, oil equivalent basis, in January-September. This was nearly 3 1/2 times the volume shipped in the first 3 quarters of 1959 and one-fifth more than shipments in the entire year 1959.

Copra exports in January-September were up nearly three-fourths from the comparable period in 1959 with India taking nearly three-fourths of the total. Imports of copra increased about 10 percent, largely because of increased supplies from Indonesia.

Coconut oil exports were up nearly 10 percent from January-September 1959 shipments and imports of coconut oil were more than double those of the corresponding period in 1959.

**COPRA AND COCONUT OIL:** Federation of Malaya, and Singapore, exports, imports, and net exports, average 1935-39, annual 1959 and January-September 1959 and 1960

Country	Copra				Coconut oil			
	Average : 1935-39	1959 1/	January-September : 1959 1/ : 1960 1/		Average : 1935-39	1959 1/	January-September : 1959 1/ : 1960 1/	
EXPORTS	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons
North America.....	360:	---	---	---	618:	3,586:	1,684:	1,535
South America.....	---	2,500:	2,500:	---	4:	498:	300:	2
Europe:								
Denmark.....	1,745:	488:	488:	200:	5:	---	---	---
France.....	14,192:	---	---	---	40:	246:	---	317
Germany, West.....2/	47,495:	7,743:	7,347:	150:	2/ 398:	1,536:	447:	174
Italy.....	10,487:	1,200:	---	837:	48:	5,256:	3,368:	3,417
Netherlands.....	29,585:	7,045:	5,803:	5,131:	504:	4,666:	3,593:	1,883
Norway.....	4,989:	---	---	---	41:	---	---	---
Poland.....	3,420:	---	---	---	---	---	---	---
Spain.....	709:	2,098:	949:	5,970:	---	---	---	180
Sweden.....	2,641:	2,789:	2,289:	2,500:	1,383:	40:	40:	438
U.S.S.R.....	---	---	---	---	---	1,000:	1,000:	---
United Kingdom.....	57,750:	392:	289:	350:	8,858:	1,248:	914:	2,421
Yugoslavia.....	90:	---	---	---	---	---	---	---
Other.....	1,296:	---	---	680:	62:	237:	237:	398
Total.....	174,399:	21,755:	17,165:	15,818:	11,339:	14,229:	9,599:	9,228
Africa:								
Egypt.....	4,541:	---	---	---	4,083:	267:	175:	1,410
Morocco.....	3/ 99:	---	---	---	3/ 1:	---	---	25
Union of South Africa..	---	---	---	---	547:	3,671:	2,843:	3,946
Other.....	---	---	---	---	309:	380:	359:	521
Total.....	4,640:	---	---	---	4,940:	4,318:	3,377:	5,902
Asia:								
Burma.....	---	1,363:	541:	2,937:	3,458:	4,779:	3,636:	1,560
China, Mainland.....	3,926:	---	---	---	1,134:	2,905:	720:	3,700
China, Taiwan.....	---	---	---	---	---	831:	742:	761
Hong Kong.....	---	4/	4/	---	826:	460:	341:	324
India.....	107:	26,569:	17,596:	46,279:	19,068:	1,055:	1,055:	---
Indonesia.....	---	---	---	---	3,813:	185:	128:	133
Iraq.....	---	2,100:	1,200:	3,200:	---	462:	462:	220
Japan.....	1,676:	10,692:	6,942:	11,134:	---	---	---	---
Pakistan.....	---	---	---	6:	---	975:	524:	1,505
Other.....	297:	706:	614:	529:	1,108:	4,962:	3,396:	3,261
Total.....	6,006:	41,430:	26,893:	64,085:	29,407:	16,614:	11,004:	11,464
Oceania.....	---	---	---	---	362:	1:	---	82
Grand total.....	5/191,691:	65,685:	46,558:	79,903:6/	47,110:	39,246:	25,964:	28,213
IMPORTS								
British Possessions.....	10,278:	2,520:	1,529:	775:	4/	1,092:	634:	1,008
Indonesia.....	105,501:	89,327:	72,616:	78,982:	329:	774:	273:	1,025
Other.....	2,472:	850:	797:	2,281:	246:	---	---	1
Grand total.....	118,251:	92,697:	74,942:	82,038:	575:	1,866:	907:	2,034
Net exports.....	73,440:	-27,012:	-28,384:	-2,135:	46,535:	37,380:	25,057:	26,179
Net exports of copra and coconut oil, copra equivalent.....	147,305:	32,321:	11,389:	39,419:				
oil equivalent.....					92,802:	20,362:	7,175:	24,834

1/ Preliminary. 2/ Total Germany. 3/ Territory formerly known as French Morocco. 4/ Less than .5 ton.  
5/ Includes 6,286 tons to "other countries". 6/ Includes 440 tons to "other countries".



# WEST GERMAN IMPORTS OF OILCAKE AND MEAL EXPECTED TO BE LARGE AGAIN

West German imports of oilseed cakes and meals in 1960-61 (July 1-June 30) are expected to be only slightly below the exceptionally high level of 1959-60 despite a larger domestic output of both oilcake and meal--mostly from imported oilseeds--and other feedstuffs. However, imports from the United States are expected to drop sharply because of keener competition.

Oilcake and meal consumption was up substantially in 1959-60 reflecting increased use of mixed feeds and drought-reduced domestic feed supplies. In 1960-61, consumption is expected to increase again, although not as sharply as in 1959-60. Cattle, poultry, and hog numbers are up this year, and the mixed feed industry continues to expand production.

OILCAKES AND MEALS: West Germany, supply and distribution,  
year beginning July 1, 1958-60

Item	1958-59	1959-60 <u>1/</u>	1960-61 <u>2/</u>
	1,000	1,000	1,000
	<u>short tons</u>	<u>short tons</u>	<u>short tons</u>
Supply:			
Stocks, July 1.....	82	112	130
Production.....	956	1,192	1,260
Imports.....	758	1,040	1,000
Total.....	1,796	2,344	2,390
Distribution:			
Exports.....	232	274	250
Consumption.....	1,452	1,940	2,030
Stocks, June 30.....	112	130	110
Total.....	1,796	2,344	2,390
<u>1/</u> Preliminary. <u>2/</u> Forecast.			

## ARGENTINA'S 1960-61 FLAXSEED CROP DOWN ONE-THIRD FROM 1959-60

Argentina's 1960-61 flaxseed crop is placed at 23.2 million bushels, according to the first official estimate.

This estimate is one-sixth less than the first estimate of 1959-60 and almost one-third less than the final estimate of 32.9 million bushels produced from 2.8 million harvested acres in 1959-60. However, the 23.2-million-bushel estimate is virtually the same as the average output of the previous 5 years.

Plantings for the 1960-61 crop were down 7 percent from a year earlier, according to the third official estimate.

MOROCCO'S 1960 FLAXSEED CROP  
DOWN SHARPLY

Morocco's 1960 flaxseed crop is estimated at 539,000 bushels from 86,485 acres. This is one-third less than the 863,000 bushels produced from 105,190 acres in 1959. Exports of flaxseed during the first 8 months of 1960, largely from the 1959 crop, totaled 318,840 bushels, over 3 times the entire quantity exported in the year 1959.

INDIA ANNOUNCES NEW PEANUT EXPORT QUOTA;  
ALSO NEW PLAN TO BOOST PEANUT OIL EXPORTS

The Government of India announced on December 8, 1960, an export quota of 20,000 long tons of hand-picked selected peanut kernels for shipment during calendar 1961.

This first export allotment from the current peanut harvest had a slightly bullish influence on peanut prices in the Bombay oilseeds market. On the whole, however, shippers have shown only slight interest in the new quota, as the trade has not yet fulfilled deliveries permitted under previous quotas. High domestic prices have held down export volume.

Another announcement, also on December 8, linked exports of peanut oil to imports of spices for the current licensing period--October 1, 1960-March 31, 1961. This new plan is in addition to an earlier plan linking peanut oil exports to exports of peanut cake and imports of coconut and palm oils (see Foreign Crops and Markets, November 7, 1960). The objective of both plans is the same--to promote exports of peanut oil which cannot otherwise be sold in world markets because of high domestic prices.

Under the December 8 plan, spice importers will be issued additional licenses on the following basis: For each ton of peanut oil they export, they may import 2.5 cwts. (280 pounds) of cloves, cassia, or cinnamon; or 7.5 cwts. (840 pounds) of betelnuts. For each 2 tons of peanut oil exported, 2.5 cwts. (280 pounds) of mace may be imported.

U.S. EXPORTS OF SOYBEANS, EDIBLE OILS,  
AND OILSEED MEALS PICK UP

U.S. exports of soybeans and edible oils in October again moved to foreign markets in substantial volume following a sharp lag in September. Exports of oilcakes and meals were the largest in recent months. However exports of both edible oils and oilcakes and meals were far short of shipments in October 1959.



U.S. soybean exports in October 1960, at 14.1 million bushels, were the largest since May, exceeding the relatively small September exports by almost three-fourths and the exports of a year earlier by one-sixth. Shipments to Japan were more than double those of October 1959 and the volume sent to Canada was up three-fourths. Partially counteracting these gains were smaller exports to some of the major European markets such as the Netherlands and West Germany.

Shipments of edible oils totaled 54.4 million pounds in October, one-fifth more than the small quantity exported in September but almost 45 percent less than exports in October 1959. The decline from a year earlier stemmed from the sharp drop in cottonseed oil exports. Over one-fourth of the soybean oil went to Poland and most of the remainder to Chile, Morocco, Egypt, Colombia, Cuba, Canada, and Israel, in that order of importance. Most of the cottonseed oil went to Canada, the Netherlands, Belgium, Venezuela, and Japan.

While the 72,300 tons of cake and meal exported in October was the largest tonnage in several months, it was only two-thirds of the volume exported in the corresponding month a year earlier. The bulk of the cake and meal continued to move to Western Europe and Canada.

SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS: U. S.  
exports, year beginning October 1, 1958 and 1959;  
October 1959 and 1960

Item	Unit	1958-59	1959-60 1/	October	
				1959-60 1/	1960-61 1/
Soybeans.....	Million bushels	110.1	141.6	12.1	14.1
Oil equivalent.....	Million pounds	1,208.6	1,554.8	132.7	154.3
Meal equivalent.....	1,000 short tons	2,608.7	3,292.3	281.0	330.2
Edible oils:					
Soybean.....	Million pounds	930.4	952.8	31.9	41.7
Cottonseed.....	do.	404.2	503.3	64.4	12.7
Total.....	do.	1,334.6	1,456.1	96.3	54.4
Cakes and meals:					
Soybean.....	1,000 short tons	512.2	652.3	57.1	52.1
Cottonseed.....	do.	27.3	140.2	39.6	15.1
Linseed.....	do.	31.2	62.6	12.2	3.6
Total 2/.....	do.	581.0	870.5	109.6	72.3

1/ Preliminary. 2/ Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from records of the Bureau of the Census.

#### ARGENTINA REMOVES TIME LIMIT ON FLAXSEED EXPORT QUOTA

The Argentine Government recently removed the time limit for the 5.1-million-bushel export quota of flaxseed, originally set to expire December 31, 1960.

About 1.8 million bushels under the quota were exported prior to December 17, 1960.

#### GREECE BUYS OLIVE AND SOYBEAN OILS

The Greek Government recently purchased 7,300 metric tons of olive oil and 500 tons of soybean oil with free dollars. These purchases are in addition to the 16,000 metric tons of U. S. soybean oil purchased during the past month under Title I, Public Law 480.

#### NEW AGRICULTURAL RESEARCH ORGANIZATION IN MEXICO

A new National Agricultural Research Institute was established in Mexico City on December 13. The new organization will combine under one head the operations which up to now have been undertaken separately by the Agricultural Research Institute and the Office of Special Studies (Rockefeller Foundation group in Mexico City).

The Institute will be given experiment stations by the Ministry of Agriculture and Animal Industry and will have the use of a National Center of Basic Research. A National Council of Research and Higher Agricultural Education will be formed to coordinate the activities of the Institute and of agricultural schools under the Ministry of Agriculture and Animal Industry. The new Institute will receive all the property of the Agricultural Research Institute and of the Office of Special Studies, and the 40 experiment farms of the country will be under its control.

#### RAIN DAMAGES COLOMBIAN CROPS

December rainfall--twice the normal amount--may have seriously damaged Colombian crops.

Rainfall delayed the cotton harvest in northern parts of the country and caused some damage to small grain harvests in upland regions. Due to moisture damage and reduced plantings, the wheat harvest is expected to be well below normal in size and quality. There are also reports of high moisture content and decay in some oilseed crops.

OUTPUT OF FARM PRODUCTS  
EXPANDING IN NYASALAND

Despite recent political difficulties in Nyasaland (a member of the Federation of Rhodesia and Nyasaland), the territory is gradually expanding production of all the agricultural commodities that it exports, with the exception of tobacco.

The 1960 cotton crop reached a record 16,000 bales (500 pounds). Producers are being paid about 7 cents per pound for seed cotton, and ginned cotton (one-third the quantity of seed cotton) is being exported for about 23 cents per pound. Any losses on exports are being met by the Cotton Stabilization Fund of the Nyasaland Agricultural Production and Marketing Board.

Tobacco production of marketable grades declined to about 32 million pounds in the 1959-60 season from about 38 million pounds in 1958-59. Most of the 1959-60 crop was dark fire-cured (about 22 million pounds) produced by independent African farmers or, to a small extent, by African tenants on European farms. Most of the other types are similarly produced. Only the tobacco grown by independent African farmers receives a guaranteed price from the government marketing board. Most of the reduction in 1960 was the result of a 20-percent reduction in the number of registered African growers of dark fire-cured tobacco because of the poor quality tobacco they delivered to the board in 1959. About 6 million pounds of the 1959 crop sold to the Nyasaland Agricultural Production and Marketing Board had to be destroyed because it was of unmarketable quality. The total 1959 crop of all types was about the same as 10 years ago.

The 1960 harvest of tea (grown by Europeans) is expected to be about 25 million pounds, compared with a 1950-54 average of 15 million pounds. Purchases of peanuts by the Production and Marketing Board for export overseas and to Southern Rhodesia reached a new high of about 21,000 short tons in 1960, compared with none in 1950. Tung oil exports rose to 1,591 short tons in 1959, compared with 385 tons in 1950, but little increase is expected in future production.

Requirements for corn, the mainstay of the Nyasaland diet, are met entirely from large local production. Moderate flour needs are met largely from imports. Rice production, at nearly 7,000 tons of paddy in 1960, is designed to eventually meet the Federation of Rhodesia and Nyasaland's commercial needs of about 4,500 tons of clean, first-grade rice. The Federation Government has undertaken to protect Nyasaland rice against imports up to the 1963 market season.

A \$9-million hydroelectric plant will be constructed on the Shire River in southern Nyasaland. It will supply the power for Nyasaland's first cotton textile mill, which the country plans to build if it can secure outside technical aid and capital. The territory's own loan and subsidy programs have recently been revamped in order to give African farmers more aid in improving and developing their farms.

#### MEXICO INCREASES IMPORT DUTY ON CHEESE

Effective December 14, 1960, Mexico increased its total import duty (duty and ad valorem tax) on all types of cheese, including cottage, from \$0.33 per pound to \$1.23 per pound.

#### PHILIPPINES REDUCES FOREIGN EXCHANGE TAX

On November 28, 1960, the Philippine Government introduced the second phase of its gradual exchange decontrol program--initiated April 25, 1960--by reducing the exchange tax from 25 to 20 percent. The free market rate and the official rate remain at 3.00 and 2.00 pesos, respectively, per U.S. dollar.

On the import side, the rate for imports considered as "less essential," as well as for "invisibles" and capital movements, changed from 3.75 pesos to 3.60 pesos per U.S. dollar; this represents the free market rate plus the 20-percent exchange tax. The rate for "preferred" imports, derived from the official rate plus the exchange tax, moved from 2.50 pesos to 2.40 pesos per U.S. dollar. For other imports, which are exempt from the exchange tax, the official rate still applies.

On the export side, the rate for merchandise and certain invisibles moved from 2.30 pesos to 2.50 pesos per U.S. dollar while the rate for other invisibles, i.e. gold and tourist receipts, remains at the free market rate.

#### CUBA PLANS PEANUT EXPANSION

The National Institute of Agrarian Reform (INRA) of Cuba has announced plans for a vast expansion in peanuts, as part of the government's policy to achieve self-sufficiency in edible oils. Cuba's 1960 peanut production is estimated by INRA at 20,300 short tons, about double the 1959 output.

Soybean production is expected to continue in the experimental stage. About 1,000 acres will be planted for the 1960-61 crop. In 1959-60, about 7,000 bushels were harvested from 600 acres.

Cottonseed output is expected to increase from 1,500 tons in 1959-60 to 10,000 tons in 1960-61.

As in the past, Cuba still depends on imports to supply the bulk of its vegetable oil requirements. Imports in 1959-60 totaled 22,600 tons, consisting principally of olive, peanut, soybean, and coconut oils. Of these imports, 59 percent came from the United States, and 40 percent from Spain.



## MEXICO REDUCES EXPORT TAX ON PEANUTS

Mexico sharply reduced the export tax on peanuts, effective December 14, 1960.

The reduction reportedly was not made to increase exports--for Mexico is relatively short of fats and oils--but was made to counteract recent sharp increases in domestic prices and thus enable exporters to maintain exports at present levels. Officially-reported wholesale prices for peanuts in Mexico during October 1960 averaged 1,925 pesos per metric ton (10.9 cents per pound), compared with an average price of 1,487 pesos (8.4 cents per pound) just a year earlier.

The ad valorem export tax on graded and cleaned unshelled peanuts was reduced from 5 to 3 percent, calculated on an officially established price of 2.3 pesos per kilogram. The specific tax of 0.01 pesos per kilogram was removed. The current effective export tax is 69 pesos per metric ton (0.39 cents per pound), reduced from 125 pesos per metric ton (0.71 cents per pound).

The ad valorem export tax on other unshelled peanuts was reduced from 23 to 20 percent, calculated on an officially established price of 1.14 pesos per kilogram. The specific tax of 0.04 pesos per kilogram was removed. This reduced the effective tax from 320 pesos per metric ton (1.81 cents per pound) to 228 pesos per metric ton (1.29 cents per pound).

BRAZIL EXPERIMENTS WITH  
DETOXIFIED CASTOR BEAN MEAL

The Secretariat of Agriculture, Department of Animal Production, in Sao Paulo, Brazil, is experimenting in feeding animals with byproducts and residues of industrialized oilseeds.

These experiments aim at determining the eventual toxicity of these feeds for the various species of domestic animals. As had been done with swine and poultry, the Department has now experimented with detoxified castor bean meal in the feeding of zebu cattle.

At the Experiment Post for Breeding Cattle, in Aracatuba, a test with detoxified castor bean meal, cottonseed meal, and peanut meal was made with 12 cows of the Guzera breed, selected for milk production. The experiment revealed: (1) That detoxified castor bean meal can be used for feeding of dairy cows in the same way as the other oilseed residues, with no toxic phenomena observed; (2) the meals were equally efficient on the basis of protein content; and (3) taking into consideration the price per ton of the various feeds used, the cost per liter of milk obtained with the use of detoxified castor bean meal was much less. These observations were based on experiments of short duration.

## ECUADOR MAKING LOANS AVAILABLE TO OILSEED PRODUCERS

Ecuador's Ministry of Development recently announced that credit will be made available through the National Development Bank for loans to oilseed producers in 1961.

A total of 10 million sucres (about \$565,000 at the free rate of exchange) will be available and will be allotted to various oilseed producers roughly as follows: Castor beans, \$285,000; sesame seed, \$225,000; and peanuts, \$55,000. The credit is intended to encourage oilseed production.

Terms of the loans to producers include 6 percent interest per annum on loans for 9 months to 1 year, with land as collateral. Loans up to \$34.50 per acre will be made to sesame producers, and loans up to \$27.50 per acre will be made to peanut and castor bean producers.

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World Cotton Stocks To Remain About Unchanged in 1960-61. Foreign Agriculture Circular FC 14-60.

World Agricultural Situation, 1961. 47 pp.





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